1951

File No. B. Rents/51

Legal Department—

B. BRANCH

K

Subject:—

L.A. Bill No XIX of 1951

A Bill to amend the Bombay Rent Rents, Hotel & Lodging House Rates Control Act, 1947

Bombay Act, XLII of 1951

P17
E

File No. B. Rents/51

Gen. 194 e.

852-B

Legal Department.

A revised draft Bill is sent herewith.

The subject-matter of the Bill falls under entry 18 in List II in the Seventh Schedule to the Constitution. The Bill does not require any sanction or recommendation. After the Bill is passed it is not necessary to reserve the Bill for the consideration of the President with reference to Article 254(2).

Id/- J.R.D. 12/2

Additional Secretary to Government.

U.O. to L. & H.D. No.2664, dated the 12th February 1951.

RAM/12-7.
4 c.

Draft amendment.

After sub-section (3) of section 18, the following new sub-section shall be inserted, namely:-

"(4) If any landlord who has received a loan under an agreement in accordance with the provisions of sub-section (3), contravenes, without any reasonable excuse, any of the conditions specified in the said sub-section (3), such landlord shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine or with both.";

KAN/18-2.
4 c.

No.16448.

Legal Department,
Bombay Castle (Bombay No.1), 16th October 1951.

From

Shri J. R. Dhurandhar,
Secretary to the Government of Bombay.

The Secretary to the Governor of Bombay.

Subject:- The Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951.

Sir,

With reference to article 200 of the Constitution of India, I am directed to forward herewith for being presented to His Excellency the Governor the authentic copy of the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951, which was read for the third time and passed at the meetings of the Bombay Legislative Assembly and the Bombay Legislative Council held on the 21st and the 26th September 1951, respectively.

2. The subject-matter of the Bill falls under entries 18 and 30 in List II and entries 6 and 7 in List III in the Seventh Schedule to the Constitution. As the provisions of the Bill are repugnant to the provisions of the Indian Registration Act, 1908, which is an existing law relating to entry 6 in the Concurrent Legislative List, it is necessary to reserve the Bill, for the consideration of the President with reference to article 254(2) of the Constitution.

3. I also forward herewith six copies of the items

		Nos.
1. Bill as introduced in the Bombay Legislative Assembly with the Statement of Objects and Reasons.	:	1, 2 and 3 and
2. Report of the Select Committee together with the Bill as amended by the Select Committee.	:	two copies of item
3. Bill as read for the third time and passed by the Bombay Legislative Council.	:	No. 4 of the
4. Extracts from the proceedings of the Bombay Legislative Assembly dated the 30th March, 27th August, and 21st September 1951 and of the Bombay Legislative Council dated the 26th September 1951.	:	papers noted in the

margin.

Yours faithfully,

Sd/- J.R.D. 16/10

Secretary to Government.

Copy forwarded with compliments to the Secretary to the Government of Bombay, Labour and Housing Department.

KAF/187.
4 c.

No. G.S.-2755.

From

THE SECRETARY TO THE GOVERNOR OF BOMBAY

To

The Secretary to the Bombay Legislature Department,
Council Hall, Bombay 1.

GOVERNMENT HOUSE,

GANESHKHIND, Poona 7; October 19, 1951.

Subject: The Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951.

Sir,

With reference to the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951, which was passed by the Bombay Legislative Assembly and the Bombay Legislative Council on September 21 and 26, 1951, respectively, I am directed to state, for the information of the Honourable the Speaker and the Honourable the Chairman, that as the provisions of the Bill are repugnant to the provisions of the Indian Registration Act, 1908, which is an existing law relating to entry 6 in the Concurrent Legislative List, it is necessary to reserve the Bill for the consideration of the President with reference to article 254(2) of the Constitution of India. His Excellency the Governor has accordingly been pleased, under article 200 of the Constitution, to declare that he reserves the Bill for the consideration of the President.

Yours faithfully,

L.U. Nadkarni.

Secretary to the Governor
of Bombay.

.....

No. G.S.-2756.
Office of the Secretary to the Governor,
Government House, Ganeshkhind,
Poona 7; October 19, 1951.

Copy forwarded with compliments to the Secretary to Government, Legal Department, with reference to his letter No. 16448, dated October 16, 1951.

Sd/- L.U. Nadkarni.
Secretary to the Governor of Bombay.

KAN/18-7.

No. G.S.-3185

From

THE SECRETARY TO THE GOVERNOR OF BOMBAY

To

The Secretary to Government,

Legal Department.

GOVERNMENT HOUSE,

BOMBAY(6), November 24, 1951.

Subject: The Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951.

Sir,

With reference to the correspondence ending with your letter No.18458, dated November 19, 1951, I am to state that intimation has been received from the Government of India, Ministry of Home Affairs, that the President assented to the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951, on November 19, 1951.

Yours faithfully,

Sd/-

for Secretary to the Governor of Bombay.

KAN/18-7.
4 c.

No. G.S.-3200

From

THE SECRETARY TO THE GOVERNOR OF BOMBAY

To

The Secretary to Government,

Legal Department.

GOVERNMENT HOUSE,

BOMBAY, 6; November 26, 1951.

Subject: The Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951.

Sir,

In continuation of my letter No. G.S.-3185, dated November 24, 1951, I am directed to forward herewith the authentic copy of the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951, with the President's assent signified thereon.

Yours faithfully,

Sd/-

for Secretary to the Governor.

KAN/18-7.
4 c.

ACTS.

Publication of the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Act, 1951.

GOVERNMENT OF BOMBAY.
Legal Department.
Resolution No.18957
Bombay Castle, 26th November 1951.

Letter to the Secretary to the Governor, No.16448, dated the 16th October 1951.

Letter from the Secretary to the Governor, No. G.S.3185, dated the 24th November 1951.

"With reference to the correspondence ending with your letter No.18458, dated November 19, 1951, I am to state that intimation has been received from the Government of India, Ministry of Home Affairs, that the President assented to the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Bill, 1951, on November 19, 1951."

RESOLUTION: The law should be published as Bombay Actx No.XLII of 1951, in the Bombay Government Gazette dated the 26th November 1951.

2. The Act should be translated into Marathi, Gujarati, Kannada and Hindi (in Devnagari script) and the translations should be published in the Bombay Government Gazette.

3. A copy of the Act should be forwarded to the Labour and Housing Department.

By order of the Governor of Bombay,

Sd/- K.J. PATHARE,
Assistant Secretary to Government.

To

The Manager, Government Central Press, Bombay (with a copy of the Act and with a request that 30 Gazette copies of the Act may be forwarded to the Legal Department and 10 copies to the Labour and Housing Department),
The Labour and Housing Department,)
*The Oriental Translator to Government,) with a copy
The Bombay Legislature Department,) of the Act.
The Director of Publicity, Bombay,)
The Enquiry Officer for the Secretariat,) copies of the Acts
Bombay. * With four copies

KAN /18-7.
LC.

L. A. BILL No. XIX OF 1951.

A Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947.

(As read for the third time and passed by the Legislative Assembly on the 21st September 1951.)

Bom. LVII of 1947.

WHEREAS it is expedient to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, for the purposes hereinafter appearing; It is hereby enacted as follows :—

Short title.

1. This Act may be called the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Act, 1951.

Amendment of section 18 of Bom. LVII of 1947.

2. In section 18 of the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947,—

(*1*) in sub-section (*3*), the following shall be added at the end, namely :—

" or to any payment made by any person to a landlord by way of a loan, for the purpose of financing the erection of the whole or part of a residential building or a residential section of a building on the land held by him as an owner, a lessee or in any other capacity, entitling him to build on such land, under an agreement which shall be in writing and shall, notwithstanding anything contained in the Indian Registration Act, 1908, be registered. Such agreement shall *inter alia* include the following conditions, namely :—

XVI of 1908.

(*i*) that the landlord is to let to such person the whole or part of the building when completed for the use of such person or any member of his family ;

(*ii*) that the rate of interest on such loan shall not be less than four per cent. per annum ;

(*iii*) that such loan shall be repayable by the landlord within a period of ten years from the date of the execution of the agreement or within a period of six months from the date of the termination of the tenancy by the landlord, whichever period expires earlier ;

(*iv*) that the amount of the loan shall be a charge on the entire building and the entire interest of the landlord in the land on which such building is erected :

Provided that if the loan has been advanced by more than one person, all such persons shall, notwithstanding anything contained in any law for the time being in force, be entitled to a charge on the entire building and the entire interest of the landlord in such land rateably according to the amount of the loan advanced by each of such persons ;

(*v*) that the landlord shall use the amount of the loan for the purpose of erecting the whole or part, as the case may be, of the residential building and for no other purpose ; and

(*vi*) (*a*) that the erection of the building shall be completed within a period of two years from the date of the execution of the agreement or if the agreements executed are more than one, from the date of the execution of the first of such agreements :

Provided that the said period of two years may be extended to a further period not exceeding one year with the sanction of the Collector ;

(*b*) that if the erection of the building is not completed within the period of two years or within the extended period specified in the proviso to clause (*a*), the loan shall be repayable forthwith to the person advancing the same with interest at the rate of four per cent. per annum. " ;

(*2*) after sub-section (*3*) the following new sub-section shall be inserted, namely :—

" (*4*) If any landlord who has received a loan under an agreement in accordance with the provisions of sub-section (*3*), contravenes, without any reasonable excuse, any of the conditions specified in the said sub-section (*3*), such landlord shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine or with both. " ;

(*3*) the existing Explanation shall be numbered as Explanation I. and in the Explanation so numbered, in clause (*a*), after the brackets and letter " (*a*) " the words, brackets and figure " except as provided in sub-section (*3*) " shall be inserted ; and

(*4*) the following Explanation shall be added at the end, namely :—

" *Explanation II.*—For the purposes of sub-section (*3*), ' member of the family ' means in the case of an undivided Hindu family any member of such family and in the case of any other family the husband, wife, son, daughter, father, mother, brother, sister or any other relative of the person permanently residing and boarding with him. "

STATEMENT OF OBJECTS AND REASONS.

Section 18 of the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, prohibits a landlord from receiving any sum of money, other than standard rent, from a person solely for the purpose of letting out his premises to that person. There may, however, be certain cases in which a landlord having vacant land but no means with which to build on it, is approached by a person badly in need of accommodation who is willing to advance a loan to the landlord for building a house on that land on condition that he will be allowed to occupy the house on completion. Under section 18 as it now stands, a landlord would be prohibited from accepting such a loan. It is felt that the removal of the bar against the acceptance of such loans by landlords, who may have no means to build houses themselves on their vacant lands, would encourage building operations. Section 18 is, therefore, being amended for this purpose.

Dated the 5th March 1951. JIVRAJ N. MEHTA.

Government of Bombay

LEGAL DEPARTMENT

[L. A. BILL No. XIX OF 1951.]

(As read for the third time and passed by the Legislative Assembly on the 21st September 1951.)

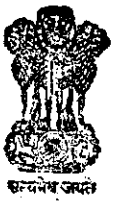
A Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947.

[Dr. JIVRAJ N. MEHTA, M.L.A.]

MO-v Bk Hb 235—2

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL

REGISTERED No. B-1



The

Bombay Government Gazette

PUBLISHED BY AUTHORITY

MONDAY, 26TH NOVEMBER 1951.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV

Acts of the Bombay Legislature and Ordinances promulgated and Regulations made by the Governor.

CONTENTS.

PAGES

BOMBAY ACT No. XLII OF 1951—An Act to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947 228-229

The following Act of the Bombay Legislature having been assented to by the President on the 19th November 1951 is hereby published for general information.

J. R. DHURANDHAR,
Secretary to the Government of Bombay,
Legal Department.

BOMBAY ACT No. XLII OF 1951.

(First published, after having received the assent of the President, in the "Bombay Government Gazette" on the 26th November 1951.)

An Act to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947.

Bom. LVII of 1947.

WHEREAS it is expedient to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, for the purposes hereinafter appearing; It is hereby enacted as follows :—

Short title.

1. This Act may be called the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Act, 1951.

Amendment of section 18 of Bom. LVII of 1947.

2. In section 18 of the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947,—

(*1*) in sub-section (*3*), the following shall be added at the end, namely :—

"or to any payment made by any person to a landlord by way of a loan, for the purpose of financing the erection of the whole or part of a residential building or a residential section of a building on the land held by him as an owner, a lessee or in

any other capacity, entitling him to build on such land, under an agreement which shall be in writing and shall, notwithstanding anything contained in the Indian Registration Act, 1908, be registered. Such agreement shall *inter alia* include the following conditions, namely :— XVI of 1908.

(*i*) that the landlord is to let to such person the whole or part of the building when completed for the use of such person or any member of his family ;

(*ii*) that the rate of interest on such loan shall not be less than four per cent. per annum ;

(*iii*) that such loan shall be repayable by the landlord within a period of ten years from the date of the execution of the agreement or within a period of six months from the date of the termination of the tenancy by the landlord, whichever period expires earlier ;

(*iv*) that the amount of the loan shall be a charge on the entire building and the entire interest of the landlord in the land on which such building is erected :

Provided that if the loan has been advanced by more than one person, all such persons shall, notwithstanding anything contained in any law for the time being in force, be entitled to a charge on the entire building and the entire interest of the landlord in such land rateably according to the amount of the loan advanced by each of such persons ;

(*v*) that the landlord shall use the amount of the loan for the purpose of erecting the whole or part, as the case may be, of the residential building and for no other purpose ; and

(*vi*) (*a*) that the erection of the building shall be completed within a period of two years from the date of the execution of the agreement or if the agreements executed are more than one, from the date of the execution of the first of such agreements :

Provided that the said period of two years may be extended to a further period not exceeding one year with the sanction of the Collector ;

(*b*) that if the erection of the building is not completed within the period of two years or within the extended period specified in the proviso to clause (*a*), the loan shall be repayable forthwith to the person advancing the same with interest at the rate of four per cent. per annum." ;

(*2*) after sub-section (*3*) the following new sub-section shall be inserted, namely :—

"(*4*) If any landlord who has received a loan under an agreement in accordance with the provisions of sub-section (*3*), contravenes, without any reasonable excuse, any of the conditions specified in the said sub-section (*3*), such landlord shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine or with both." ;

(*3*) the existing Explanation shall be numbered as Explanation I and in the Explanation so numbered, in clause (*a*), after the brackets and letter "(*a*)" the words, brackets and figure "except as provided in sub-section (*3*)" shall be inserted ; and

(*4*) the following Explanation shall be added at the end, namely :—

"*Explanation II.*—For the purposes of sub-section (*3*), 'member of the family' means in the case of an undivided Hindu family any member of such family and in the case of any other family the husband, wife, son, daughter, father, mother, brother, sister or any other relative of the person permanently residing and boarding with him."

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.

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The
Bombay Government Gazette
PUBLISHED BY AUTHORITY

THURSDAY, 23RD AUGUST 1951.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART V

[To be translated into Marathi, Gujarati, Kannada and Hindi (in Devnagari script) and the translations to be published in the "Bombay Government Gazette". The dates of publication to be reported.]

The following report of the Select Committee of the Bombay Legislative Assembly on the Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, and the Bill as amended by the Select Committee are, in accordance with the provisions of sub-rule (3) of rule 88 of the Bombay Legislative Assembly Rules, published for general information :—

L. A. BILL No. XIX OF 1951.

A Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947.

REPORT OF THE SELECT COMMITTEE.

We,* the members of the Select Committee appointed to consider L. A. Bill No. XIX of 1951 (A Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947), beg to submit this report as follows :—

We have carefully considered the provisions of this Bill and have also taken into consideration the amendments proposed and the representations received. In our opinion clause 2 of the Bill should be amended to include the following additional points :—

(1) the agreement under the terms of which the loan is advanced for the purpose of financing the erection of the building should be in writing and should be registered ;

*The signatures of Shri A. A. Khan, Shri Purshottam Trikamdas, Shri Tulsidas S. Jadhav, Shri N. S. Kajrolkar, Shri J. H. Shamsuddin and Shrimati Sumatibai N. Gore will be notified when received.

(2) the land on which the building should be erected must be owned, held on lease or in any other capacity by the landlord entitling him to build on the land;

(3) the loan should carry interest at not less than 4 per cent. per annum;

(4) the loan should be repayable within 10 years. If the landlord terminates the tenancy before the expiry of the said period, it should be repayable within six months of such termination;

(5) the amount of the loan should be a charge on the entire building and on the interest of the landlord in the land;

(6) the landlord must use the amount of the loan for the purpose of the erection of the building and for no other purpose;

(7) if the landlord does not complete the construction of the building within the period of 2 years, extensible to 3 years with the sanction of the Collector, the loan would be repayable with interest forthwith;

(8) a provision should be made that a breach of the conditions of the agreement by the landlord would be an offence and would be punishable with imprisonment and fine.

We have re-drafted clause 2 of the Bill accordingly.

(Signed) JIVRAJ N. MEHTA,

(,,) DINKARRAO N. DESAI,

(,,) VAIKUNTH L. MEHTA,

(,,) R. M. PRABHU,

(,,) V. P. PAWAR,

(,,) KRISHNA B. ANTROLIKAR,

(,,) B. D. LALA,

(,,) C. J. SUTARIA,

(,,) D. SURYAWANSHI.

Note.—*Deletions made by the Select Committee are shown in square brackets and additions are shown in italics.*

L. A. BILL No. XIX OF 1951.

A Bill to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947.

Bom. LVII of 1947.

WHEREAS it is expedient to amend the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947, for the purposes hereinafter appearing; It is hereby enacted as follows :—

Short title.

1. This Act may be called the Bombay Rents, Hotel and Lodging House Rates Control (Amendment) Act, 1951.

Amendment of section 18 of Bom. LVII of 19

Bom. LVII of 1947.

2. In section 18 of the Bombay Rents, Hotel and Lodging House Rates Control Act, 1947,—

(*1*) in sub-section (*3*), the following shall be added at the end, namely :—

[" or to any payment made under an agreement by any person to a landlord for the purpose of financing the erection of the whole or part of a residential building on the land belonging to the landlord, if one of the conditions of the agreement is that the landlord is to let to such person the whole or part of the building when completed for the use of such person or any member of his family ";]

" or to any payment made by any person to a landlord by way of a loan, for the purpose of financing the erection of the whole or part of a residential building or a residential section of a building on the land held by him as an owner, a lessee or in any other capacity, entitling him to build on such land, under an agreement which shall be in writing and shall, notwithsanding anything contained in the Indian Registration Act, 1908, be registered. Such agreement shall inter alia include the following conditions, namely :—

XVI of 1908.

(i) that the landlord is to let to such person the whole or part of the building when completed for the use of such person or any member of his family ;

(ii) that the rate of interest on such loan shall not be less than four per cent. per annum ;

(iii) that such loan shall be repayable by the landlord within a period of ten years from the date of the execution of the agreement or within a period of six months from the date of the termination of the tenancy by the landlord, whichever period expires earlier ;

(iv) that the amount of the loan shall be a charge on the entire building and the entire interest of the landlord in the land on which such building is erected :

Provided that if the loan has been advanced by more than one person, all such persons shall, notwithstanding anything contained in any law for the time being in force, be entitled to a charge on the entire building and the entire interest of the landlord in such land rateably according to the amount of the loan advanced by each of such persons ;

(v) that the landlord shall use the amount of the loan for the purpose of erecting the whole or part, as the case may be, of the residential building and for no other purpose ; and

(vi) (a) that the erection of the building shall be completed within a period of two years from the date of the execution of the agreement or if the agreements executed are more than one, from the date of the execution of the first of such agreements :

Provided that the said period of two years may be extended to a further period not exceeding one year with the sanction of the Collector ;

(b) that if the erection of the building is not completed within the period of two years or within the extended period specified in the proviso to clause (a), the loan shall be repayable forthwith to the person advancing the same with interest at the rate of four per cent. per annum.";

(2) after sub-section (3) the following new sub-section shall be inserted, namely :—

"(4) If any landlord who has received a loan under an agreement in accordance with the provisions of sub-section (3), contravenes, without any reasonable excuse, any of the conditions specified in the said sub-section (3), such landlord shall, on conviction, be punished with imprisonment for a term which may extend to six months or with fine or with both.";

[*(2)*] *(3)* the existing Explanation shall be numbered as Explanation I and in the Explanation so numbered, in clause *(a)*, after the brackets and letter "*(a)*" the words, brackets and figure "except as provided in sub-section *(3)*" shall be inserted ; and

[*(3)*] *(4)* the following Explanation shall be added at the end, namely :—

"*Explanation II.*—For the [purposes of sub-section *(3)*, 'member of the family' means in the case of an undivided Hindu family any member of such family and in the case of any other family the husband, wife, son, daughter, father, mother, brother, sister or [any other relative of the person living with him, who, in the opinion of the Collector, is a member of the family of such person.'] *any other relative of the person permanently residing and boarding with him.*"

S. K. SHEODE,
Secretary to the Bombay
Legislative Assembly.

Council Hall,
Poona, 22nd August 1951.

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.